AMENDED IN SENATE AUGUST 26, 2013 AMENDED IN ASSEMBLY APRIL 8, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 1226

Introduced by Assembly Member Hall

February 22, 2013

An act to add Section 19502 to the Business and Professions Code, relating to horse racing, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1226, as amended, Hall. Horse racing: jockey riding fees.

Existing law-establishes, the Horse Racing Law, generally vests the administration of horse racing with the California Horse Racing Board, which generally regulates horse racing in the state, including setting default and requires the board to set minimum jockey riding fees—for jockeys that apply in the absence of a contract or special agreement regarding riding fees to the contrary. Existing law establishes the default riding fees for jockeys as a certain percentage of the win purse, which is defined as the amount paid the winning horse less the fees paid by the owner to enter the horse in the race. Existing law also requires a jockey who finishes 2nd or 3rd in a race in which the purse is \$9,999 or less to be awarded a minimum amount, as specified prohibits the paymaster of a racing association or racing fair from disbursing any sum from a jockey's compensation to any person other than the jockey, except as specified. A violation of the Horse Racing Law, where no other penalty is expressed, is a misdemeanor.

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This bill would instead require a jockey whose horse finishes first, 2nd, or 3rd, to be paid percentages of the gross purse, as specified, except a jockey who finishes 2nd or 3rd in a race in which the purse is \$9,999 or less. The bill would define gross purse as the published amount of the purse before any deductions. By imposing requirements on the payments made to jockeys, the violation of which require the board not to permit any portion of an entry, nomination, or other fee paid by an owner to be deducted from a jockey riding fee unless the entry, nomination, or other fee is paid exclusively by the owner. Because a violation of the provisions of the bill would be a misdemeanor, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: majority ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19502 is added to the Business and 2 Professions Code, to read:
- 3 19502. (a) In a race with a gross purse of more than nine thousand nine hundred ninety-nine dollars (\$9,999), all of the following shall apply:
- 6 (1) A jockey whose horse finishes first in a race shall be paid 7 at least 10 percent of the first place winner's share of the gross 8 purse.
 - (2) A jockey whose horse finishes second in a race shall be paid at least 5 percent of the second place winner's share of the gross purse.
 - (3) A jockey whose horse finishes third in a race shall be paid at least 5 percent of the third place winner's share of the gross purse.
- 15 (b) For purposes of this section, "gross purse" means the published amount of the purse before any deductions.

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SECTION 1. Section 19502 is added to the Business and Professions Code, to read:

19502. Notwithstanding any other law, the board shall not permit any portion of an entry, nomination, or other fee paid by an owner to be deducted from a jockey riding fee unless the entry, nomination, or other fee is paid exclusively by the owner and not reimbursed by any other person or entity.

- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
- In order to implement the necessary changes to the Horse Racing Law due to the 2013 Breeders' Cup World Championships being held in California this year, it is necessary that this act take effect immediately.